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SUBJECT: AMBASSADOR'S MEETING WITH ROBERTO ALEJOS,

PRESIDENT-ELECT OF CONGRESS

REF: GUATEMALA 1349

Classified By: Ambassador Stephen G. McFarland for reasons 1.4 (b) and (d)

11. (C) Summary: Ambassador McFarland hosted the President-elect of the Guatemalan Congress, Roberto Alejos, for breakfast on November 6. Alejos, a member of President Colom's National Unity of Hope (UNE) government, noted the difficulty Congress would have funding President Colom's security and social spending priorities. He strongly defended first lady Sandra Torres de Colom's work with Guatemala's Social Cohesion Council and noted his interest in strengthening U.S. counter-narcotics cooperation. Overall, he was content with his wide margin of victory (117 - 33) and seemed pleased his Congressional presidency would not commence until after acrimonious debates on fiscal reform and the 2009 budget, both of which should conclude by January. End Summary.

Strong Support for the First Lady

- 12. (C) During a November 6 breakfast hosted by the Ambassador, Congressional President-elect Roberto Alejos expressed his strong support for first lady Sandra Torres de Colom's work with the Social Cohesion Council, which directs the GOG's poverty alleviation and other social welfare programs. (Note: Alejos is widely perceived as being the First Lady's operator in Congress. End note). He noted that she injects accountability into the various health and education programs that make up the Council (including the conditional cash transfer program "Mi Familia Progresa"). Alejos described how de Colom holds weekly meetings of ministers and other administration officials responsible for executing Council programs in the dining room of the Presidential residence. During meetings, she reviews lists of projects and deadlines, cornering officials who have not produced. If she perceives that an official is bending the truth about a project's progress under pressure of her questioning, de Colom sometimes announces that she will visit the project to see for herself. She also takes away previously authorized funding from ministries that do not produce. "For instance, said Alejos, "if the Minister of Education receives funding for twenty schools but builds only fifteen, Sandra (Torres de Colom) will find out how many have been built and then begin the administrative process to transfer allocated ministry funds for the five unfinished schools to the common treasury fund." In this way Torres de Colom is extremely effective in creating real progress in carrying out the various social programs of the Social Cohesion Council, Alejos said.
- 13. (C) Commenting on widespread criticism of de Colom in the media and from some representatives of the private sector and Congress, Alejos said the criticism is politically motivated. Her political rivals are nervous about her success and rising popularity with the public (Note: de Colom is widely rumored to be planning a presidential bid following the term

of her husband, President Alvaro Colom). According to Alejos, de Colom's programs obtain "instant results" for the poorest segments of society and contribute to her reputation as one of the only public figures who is getting things done for the people.

Expanding Drug Cooperation

¶4. (C) Alejos noted one of the main priorities of his term as President of Congress would be to combat narco-trafficking. He said that he would like to expand the scope of Guatemala's fight against organized crime and drug trafficking to include increased focus on money laundering, trafficking to include increased focus on money laundering, demand reduction and anti-corruption. The Ambassador replied that each of these areas were priorities for the U.S. government and that he looked forward to deepening existing and developing new areas of cooperation to assist the GOG in its effort to improve its security situation.

Pending Tax Reform and Budget proposals

- 15. (C) Alejos briefly discussed tax reform and budget proposals currently before Congress. The Colom-administration's 2009 budget calls for a 17 percent increase in spending over 2008, most of which is destined for security and social programs. The increased spending would be financed by a controversial fiscal reform package submitted nearly simultaneously to Congress for consideration. Alejos expressed relief that his term would not begin until January, after the fiscal reform and budget (which, by law, must be approved by November 30) debates are over. The increases in taxes and spending are opposed by Guatemala's powerful private sector and ongoing negotiations have consumed political capital in the administration and in Congress. With tax reform and budget debates behind, Alejos hopes to start fresh to engage on other Administration priorities.
- 16. (C) Comment: Alejos is widely known to be close to First Lady Sandra Torres de Colom, and his strong defense of her increasingly controversial role in the government came as no surprise. Having a trusted ally in the important position of President of Congress should help President Colom push his agenda in Congress despite the government's lack of a majority. However, it isn't clear that Alejos has the experience or political skills to broaden the Administration's support base in the legislature. Alejos wants to have a close working relationship with the Embassy and we believe his election to the post offers us a good chance to influence legislation that has an impact on U.S. interests.

 McFarland